Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 14-26)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittals 14-26 with attached transmittal, policy justification, and Sensitivity of

Technology.

Dated: September 30, 2014.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY 201 12TH STREET SOUTH, STE 203 ARLINGTON, VA 22202-5408

SEP 26 2014

The Honcrable John A. Boehner Speaker of the House U.S. House of Representatives Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 14-26, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the United Arab Emirates for defense articles and services estimated to cost \$2.5 billion. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely.

J. W. Rixey Vice Admiral, USN

Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology
- 4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 14-26

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

- (i) <u>Prospective Purchaser</u>: United Arab Emirates (UAE)
- (ii) <u>Total Estimated Value</u>:

Major Defense Equipment* \$ 0 billion
Other \$2.5 billion
TOTAL \$2.5 billion

- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: the refurbishment and modification of 4,569 Mine Resistant Ambush Protected (MRAP) Vehicles (that include 29 MaxxPro Long Wheel Base (LWB), 1,085 MaxxPro LWB chassis, 264 MaxxPro Base/MRAP Expedient Armor Program (MEAP) capsules without armor, 729 MaxxPro Bases, 283 MaxxPro MEAP without armor, 970 MaxxPro Plus, 15 MRAP Recovery Vehicles, 1,150 Caiman Multi-Terrain Vehicles without armor, and 44 MRAP All-Terrain Vehicles) being sold separately from U.S. Army stock pursuant to section 21 of the Arms Export Control Act, as amended, as Excess Defense Articles (EDA). Also included are Underbody Improvement Kits, spare and repair parts, support equipment, personnel training and training equipment, publications and technical documentation, Field Service Representatives' support, U.S. Government and contractor logistics and technical support services, and other related elements of logistics and program support. Notification for the sale from stock of the MRAP vehicles referenced above has been provided separately, pursuant to the requirements of section 7016 of the Consolidated Appropriations Act, 2014 and section 516 of the Foreign Assistance Act of 1961, as amended.
- (iv) Military Department: Army (IEA)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission Fee, etc., paid, offered, or agreed to be paid: None
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense Services proposed to be sold</u>: See attached annex.
- (viii) Date Report Delivered to Congress: 26 Sep 14
- * As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

<u>UAE – Mine Resistant Ambush Protected (MRAP) Vehicles</u>

The Government of the United Arab Emirates (UAE) has requested a possible sale for the refurbishment and modification of 4,569 Mine Resistant Ambush Protected (MRAP) Vehicles (that include 29 MaxxPro Long Wheel Base (LWB), 1,085 MaxxPro LWB chassis, 264 MaxxPro Base/MRAP Expedient Armor Program (MEAP) capsules without armor, 729 MaxxPro Bases, 283 MaxxPro MEAP without armor, 970 MaxxPro Plus, 15 MRAP Recovery Vehicles, 1,150 Caiman Multi-Terrain Vehicles without armor, and 44 MRAP All-Terrain Vehicles) being sold separately from U.S. Army stock pursuant to section 21 of the Arms Export Control Act, as amended, as Excess Defense Articles (EDA). Also included are Underbody Improvement Kits, spare and repair parts, support equipment, personnel training and training equipment, publications and technical documentation, Field Service Representatives' support, U.S. Government and contractor logistics and technical support services, and other related elements of logistics and program support. Notification for the sale from stock of the MRAP vehicles referenced above has been provided separately, pursuant to the requirements of section 7016 of the Consolidated Appropriations Act, 2014 and section 516 of the Foreign Assistance Act of 1961, as amended. The estimated cost is \$2.5 billion

This proposed sale will contribute to the foreign policy and national security of the U.S. by helping to improve the security of a friendly country that has been and continues to be an important force for political stability and economic progress in the Middle East.

The UAE intends to utilize the EDA MRAP vehicles to increase force protection, to conduct humanitarian assistance operations, and to protect vital international commercial trade routes and critical infrastructure. Additionally, these MRAPs will enhance UAE's burden sharing capacity and defensive capabilities.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractors will be Navistar Defense in Lisle, Illinois; BAE Systems in Sealy, Texas; and Oshkosh Defense in Oshkosh, Wisconsin. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require multiple trips to the UAE involving many U.S. Government and contractor representatives for approximately three or more years to provide program support and training.

There will be no adverse impact on the U.S. defense readiness as a result of this proposed sale.

Transmittal No. 14-26

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

Annex Item No. vii

(vii) Sensitivity of Technology:

- 1. The Mine Resistant Ambush Protected (MRAP) vehicle is an armored, multi-purpose combat vehicle intended to support mounted urban operations to include convoy security support and dismounted patrols. It is designed to increase crew survivability. The vehicle has a blast-resistant underbody designed to protect the crew from mine blasts, fragmentation, and direct fire weapons.
- 2. All MRAP vehicle information needed to operate, train, and maintain the vehicles are Unclassified; some design and test data, design performance parameters, armoring methodology, vulnerabilities, armor types and configuration can be classified up to Secret.
- 3. If a technologically advanced adversary were to obtain knowledge of the design performance and functional characteristics of specific hardware and software elements, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.
- 4. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.
- 5. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of the United Arab Emirates.

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